

ANNUAL REPORT
NORTHWEST ALABAMA MENTAL HEALTH CENTER
July 1, 2012 To June 30, 2013
HCP PROJECT NO. 17239

1. Project Contact and coordination Information

a. Project Leader: Mr. Skip Newman, Executive Director,
Northwest Alabama Mental Health Center

b. Address: 1100 Seventh Avenue, Jasper, AL. 35501

Phone: 205/302-9017

Fax: 205/387-0599

Email: skip@nwamhc.com

c. Responsible Organization: Northwest Alabama Mental Health Center (NWAMHC)

d. Regional and State Coordination: The NWAMHC is coordinating implementation activities for its mental health network in northwestern Alabama. NWAMHC is keeping the Alabama Department of Mental Health informed relative to its project implementation activities.

2. Network Health Care Facilities

a. Network User Addresses:

NWAMHC Clinic sites to be served:

Fayette County Office – 123 Second Avenue NW, Fayette, AL. 35555, RUCA Code No. 7,
Phone: 205/932-3216, Census Tract No. 020300.

Lamar County Office – 141 Second Avenue NW, Vernon, AL. 35592, RUCA Code No. 10,
Phone: 205/695-9183, Census Tract No. 030100.

Marion County Office – 427 Smokey Bear Rd., Hamilton, AL 35570, RUCA Code No. 10,
Phone: 205/921-2186, Census Tract No. 984400.

Marion County Office – 260 Baker Street, Winfield, AL. 35594, RUCA Code No. 10, Phone: 205/487-2124, Census Tract No. 984700

Winston County Office – 71 Carraway Drive, Haleyville, AL. 35565, RUCA Code No. 7, Phone: 205/486-4111, Census Tract No. 995700

Walker County Office & HQ – 1100 Seventh Avenue, Jasper, AL. 35501, RUCA Code No. 4, 205/302-9017, Census Tract No. 020200

Walker Baptist Medical Center- 3400 U.S. Highway 78 East, Jasper, AL. 35501, RUCA Code No. 4, 205/387-4000, Census Tract No. 020300

b. Participating Institutions

The Northwest Alabama Mental Health Center is a public non-profit corporation formed under Section 501 C 3 and is therefore an eligible entity under Section 254 of the 1996 act. The Walker Baptist Medical Center is a private non-profit corporation and is considered an eligible entity under Section 254 of the 1996 act.

3. Network Narrative

On June 17, 2010, Northwest signed an Ethernet Agreement with West Alabama TV Cable, Inc., which submitted the low bid for Northwest's proposed broadband network. After approving these materials, USAC issued its FY-2009 Funding Commitment Letter authorizing a total support not to exceed \$275,569.37. On August 30, 2010, Northwest sent its Notice to Proceed Letter to West Alabama TV Cable, Inc. This letter authorized WATVC to initiate its 90 day installation period.

The new Ethernet system was completed and became ready for use on November 17, 2010. Northwest presently operates seven video conferencing stations located at the Baptist Hospital in Jasper and at its clinics located in Hamilton, Winfield, Fayette, Haleyville, Vernon and at Northwest's clinic and headquarters which is also located in Jasper. During this fiscal year, 506 telepsychiatry visits were made with adult, children's and adolescent patients at the above listed clinics. To date, Northwest physicians have conducted a total of 752 telepsychiatry visits over the new broadband network. During this period, northwest submitted 506 reimbursement requests to Medicaid, Medicare, Blue Cross Blue Shield, to private pay clients and to other commercial insurance carriers. During the fiscal year, Northwest had total telepsychiatry patient billings of \$23,344.00, that increased from \$3,839.00 in the first quarter to \$14,349.00 in the fourth quarter. Each telepsychiatry visit saves the doctors and other care givers about 1.5 to 2.0 hours of travel time. The agency has installed video equipment in the Fayette, Jasper, Haleyville, Hamilton, Winfield, Vernon clinics and at the Baptist Regional Hospital in Jasper. Video equipment has also been installed at the agency's Adam Bishop Child and Adolescent Center which is located in Jasper in the agency's clinic and headquarters complex.

These video connections have enabled Northwest to use the new network for staff training and agency staff meetings as well as several agency board meetings. During this 12 month period, Northwest personnel involved in the provision various agency services conducted 12 staff meetings and staff training sessions over the new network. These 12 video conferences involved 128 staff members and resulted in total annual staff time savings amounting to \$1,960.00 and \$660.00 in annual staff travel savings. Future plans call for the agency to conduct some of its monthly board meetings via teleconferencing to its participating counties.

VOIP telephone service has been installed at the clinics in Haleyville and Hamilton and at the Hamilton Children's Center. Later this year work will begin on the installation of VOIP services at the agency's Jasper clinic and headquarters facility and at the agency's clinics in Fayette and Vernon.

During this 12 month period Northwest submitted nine requests for reimbursement totaling \$71,370.54 to USAC for network's monthly recurring costs. Standardized directories were provided to all Northwest clinics which will be used as document templates in preparation for the implementation of an electronic medical records system that will operate over the new broadband network. The new broadband network has greatly enhanced the ability of the agency's staff to share clinical documents between Northwest's six clinics and with the physician located at the Walker Regional Medical Center.

The new network has enabled Northwest to cancel internet service at the clinics in Fayette, Winfield, Hamilton and Haleyville, resulting in a small monthly savings. These centers now receive internet service from the clinic and headquarters in Jasper, via the new network.

- a. Describe the backbone of new network.** The new network is an MPLS network.
- b. Explain how health care provider sites will connect to or access the network, including access technologies/services and transmission speeds.** It is mostly a fiber-optic network having 100 Mbp service at the Jasper clinic and 115 Mbp service at the clinic at Winfield. The clinic in Vernon is served by a temporary 100 Mbp wireless connection to the clinic in Winfield while the four remaining network sites have 15 Mbp fiber-optic service. In early 2012, a Service Substitution Letter was submitted and approved for the Winfield clinic which actually had 115 Mbp fiber-optic service as opposed to the 100 Mbps as previously reported.
- c. Will network connect to Internet2 or NLR?** The network does not connect to either NLR or Internet2.

d. **Number of miles of fiber construction, and it is buried or aerial?** All of the approximately 100 miles of new fiber was installed above ground.

e. **Special systems or services for network management or maintenance.** There are no special systems for network management or maintenance.

4. List of Health Care Providers

a. The two network participants are the Northwest Alabama Mental Health Center and the Walker Baptist Medical Center which will provide psychiatry services over the network to Northwest's patients. The network will also be used to provide internet, voice, video and data services. Attached is a diagram of the new broadband network.

b. Both network participants are eligible providers.

c. Six network connections use fiber-optic cable while the clinic in Vernon has a wireless connection.

d. All network connections are leased services.

e. The network is a Metro-Ethernet.

f. The network provides public internet service but is not connected to NLR or Internet2.

g. Site equipment (e.g. router, switch, SONET ADM, WDM) including manufacturer name and model number. – HP E4500-48-PoE Switch, HP V1905-24-PoE Switch, HP E2520-24-PoE Switch.

h. Attached is a diagram of the new network.

5. Quarterly Costs Incurred

USAC has budgeted a total of \$381,650.34 as the maximum grant amount that will be available during FY 2010 with a total project cost not to exceed \$449,000.00. USAC's August 26, 2010 Funding Commitment Letter for FY-2009 authorized total support in the amount of \$275,569.37, of which \$19,999.98 is dedicated to the payment of non-recurring costs.

During this period, Northwest submitted nine USAC invoices requesting reimbursement for the recurring costs of \$71,470.54 for broadband services provided to all seven network sites. Northwest paid the vendor its 15 percent local match payment. All of the project's nonrecurring costs have been paid.

a. Network Design – The Alabama Department of Economic and Community Affairs

provided this service at no cost to the grantee and is therefore not a budgeted item.

- b. Network Equipment, including engineering and installation. – See item e. below.
- c. Infrastructure Deployment/Outside Plant. – See Item e. below.
- d. Internet2, NLR, or public internet connection. – Not a budgeted expense.

4e. Leased Facilities. – During this quarter, Northwest submitted nine USAC invoices requesting reimbursement for vendor services provided during this reporting period. As per its construction contract with the vendor and its USAC project budget, Northwest paid \$20,000 to the vendor in non-recurring costs during the third quarter of 2010. Therefore, all non-recurring costs have been paid to the vendor and reimbursed by USAC.

- f. Network management, Maintenance, and operating costs. - Not budgeted expenses.
- g. Other non-recurring and recurring costs. All costs are reflected in Item e above.

6. Cost Allocation By Source

Northwest's Ethernet agreement with West Alabama TV Cable consists of a \$20,000.00 one-time nonrecurring cost and an \$8,450.00 monthly recurring cost creating a total over a 36 month period. Northwest and the Walker Baptist Medical Center are both eligible users under this FCC program. However NWAMHC will pay all monthly recurring broadband costs incurred by Walker Baptist Medical Center. These costs will be paid from Northwest's general fund account. Northwest will only request FCC reimbursement for the FCC pro rata share of eligible recurring and non-recurring costs. The project budget contains no other grant or contributed funds. Since both participating entities are nonprofit corporations, neither one would be financially able to undertake this project without the subsidies provided by this FCC program. The proposed health care network will enable these two entities to provide improved levels of service to rural patients at a reduced cost.

- a. Explain how costs are identified, allocated among, and apportioned to both eligible and ineligible network participants. - There no ineligible network participants. Northwest pays all network expenses.
- b. Describe the source of funds from eligible and ineligible network participants. – Northwest pays all network costs from its general fund account.
- c. Show contributions from all other sources. - No other local, state and federal funds are used by Northwest for the payment of project expenses.

7. Technical or Non-Technical Procedures For Ineligible Network Participants

No procedures have been developed to accommodate ineligible network users since no ineligible participants are presently included on the network or are expected to be included in the future.

8. Project Management Plan Update

On September 24, 2009, the NWAMHC Board met and rejected all of the bids it received in September since the low bid far exceeded the agency's construction budget established for this project. Additional local revenues were not available to fund the low bid. In addition, the Board authorized the submission of a revised bid containing lower minimum bandwidths and the deletion of the Walker Baptist Hospital if funds are not available. During the month of January, 2010, the revised RFP and Form 465 were posted to USAC web site. In addition, the bid proposal was also advertised in the Daily Mountain Eagle in an effort to comply with the Alabama bid law. All bids were due no later than 3:00 pm on February 5, 2010. Four bids were received and Northwest formed a Bid Review Committee to assess the bids and make a recommendation to the NWAMHC Board of Directors. After meeting on several occasions the committee identified West Alabama TV Cable Company, Inc. as the most qualified low bidder. On March 8th all four bids were reviewed at a meeting of the NWAMHC Board of Directors. At this meeting the board selected WATVC as the low bidder and asked Mr. Skip Newman, to meet with the WATVC and assess the adequacy of the 6.0 Mb temporary broadband connection to be extended to the Vernon Clinic as contained in the WATVC bid.

On March 12th at a meeting with WATVC's Mr. Kyle South, Mr. Newman's concluded that the proposed temporary service would enable Northwest to fully implement broadband services at its facility in Vernon. Mr. Newman also authorized Mr. South to draft a contract that could be reviewed by Northwest. WATVC completed work on the installation of the proposed broadband network in December of 2010 and service was initiated on December 17, 2010. In January, Northwest transferred the agency's internet service to the new broadband network which will save Northwest \$50.00 per site per month. The agency continues its efforts to convert its medical records to a digital format.

a. There have been no changes in the project's current leadership or management structure since the submission of the last quarterly report.

b. Listed below is a current project schedule.

Project Schedule

Pre-bid Conference	November 12, 2008
Advertise Broadband Network RFP	February 4, 2010

Select Low Broadband Network Bidder	March 8, 2010
Broadband Service Agreement with WATVC	June 17, 2010
USAC 2009 Funding Commitment letter	August 26, 2010
Initiate Broadband Network Installation	August 30, 2010
Complete Broadband Network Installation	December 17, 2010
Initiate Broadband Network Service to all 7 Sites	December 17, 2010
Initial Request for Reimbursement	April 25, 2011
Installation of video units at all seven network sites	Complete
Installation of VOIP system at Jasper Clinic	December 31, 2013
Transmission of electronic medical records over the network	December 31, 2013
Completion of 36 Month FCC Assistance Period	December 17, 2013
Project Close - Out	February 1, 2014

9. Network Sustainability

A new network sustainability plan was completed. The new plan indicates that at the end of the third year of operation the new broadband network will have generated substantial cost savings as a result of reduced intercompany long distance phone calls, the reduced number of telephone lines as well as reduced travel costs incurred by staff psychiatrists and other NWAMHC staff. When these savings were combined with increased psychiatric billings the network's annual operating costs are estimated to decline from \$55,800.00 in the first year to zero by the end of the third year of operation. A revised network budget was submitted to USAC on November 10, 2010.

FCC/USAC Sustainability Issues

USAC Project Scenario. Through its RFP, Northwest has identified West Alabama TV Cable Co. as low cost provider of the requested broadband service. Therefore, this service is considered to be an Indefeasible Right of User (IRU), as a long-term lease of specified bandwidths, as defined in USAC Scenario No. 1.

Source of 15% Local Match. Northwest will pay the project's 15% local match from its General Fund Budget. The agency has sufficient revenues to pay the required 15% local match.

It also has sufficient general fund revenues to continue purchasing these services once the FCC subsidy expires.

Commitments From Network Members. NWAMHC will pay all monthly recurring costs incurred by its network partner the Walker Baptist Medical Center. Walker Baptist Medical Center is considered to be a permanent member of the proposed broadband network as per verbal agreements made by hospital representatives to Mr. Skip Newman, Northwest's executive director.

Sustainability Period. The new broadband service will be sustainable during the three years in which USAC subsidizes the cost but will only be marginally sustainable after the three year USAC subsidy expires.

Budget Attached to Sustainability. Without the USAC subsidy, in years four through ten Northwest's annual operating costs are expected to vary from \$58,886 to \$84,870.00 annually as indicated in the attached 10 year budget.

Network Management. Mr. Skip Newman will have overall responsibility for managing the new network. Mr. Newman expects to devote one percent of his time to this task. The agency's MIS Director is expected to devote 10 percent of her time on network management activities resulting in an estimated annual cost of \$5,000.00. Annual broadband network management costs are estimated at \$6,700.00. All of these network management costs will be paid from the organization's general fund account.

Continued RHC Funding. As indicated in Item 9 above, the NWAMHC will have the financial resources to enable it to network's annual operating costs when FCC assistance expires. The estimated annual savings and increased psychiatric service billings should bring network operating costs to zero at the end of the third year of operations.

State and Federal Funding. Northwest does not expect to need additional Federal or state assistance in order to continue operating this new network, as a result of previously referenced annual cost savings and revenue increases.

Prepaid Lease Option. There are no prepaid leases involved in this project.

10. Network Benefits

The primary goal of this project is to use FCC assistance to install a broadband network that will facilitate the delivery of telepsychiatry and other related services on a real time basis. When completed the new broadband network will also provide telephone, internet, data, and video services to the six rural mental health clinics. Psychiatric services will be able to be provided

from the Walker Baptist Medical Center also in located in Jasper. The new network will further enable Northwest to greatly increase the amount of psychiatric services it delivers due to reduced travel times resulting from the implementation of this project. Maximum use of the new network is contingent upon Northwest's ability to install VOIP service at the other four clinics and to load its digital medical records onto the network which is expected to occur by December 31 of 2013.

a. How has the network achieved the grantee's goals and objectives? The new network has enabled Northwest to consolidate its access to the internet using only one carrier which has reduced the cost of this service by \$300.00 per month. All six clinics now receive internet service via the new broadband network. VOIP telephone systems have been installed at the Haleyville and Hamilton clinics however the Jasper clinic will also have to convert its phone system to VOIP before even limited service can be transported over the new network. Between July 1, 2012 and June 30, 2013, 506 telepsychiatry visits have been made by the new child psychiatrist and by Dr. Aftab from his office in the Baptist Medical Center in Jasper to patients at Northwest's six clinics, eliminating 1.5 to 2.0 hours of the physician's travel time per visit. Network utilization increased by almost 50 percent when the new child psychiatrist began her telepsychiatry visits during this quarter. A second child psychiatrist has been hired and will begin using the network during the second quarter. Network utilization is expected to increase significantly when new VOIP service is installed at the clinics located in Jasper, Fayette and Vernon. So, the new network is beginning to achieve Northwest's project goals as enumerated in its original pilot grant application.

b. Explain how the network has brought innovative telehealth and telemedicine services to areas where these services are needed. The new network is enabling Northwest to attract qualified health professionals due to the new telepsychiatry services which reduces travel time and increases the number of patient visits that can be made. Northwest has hired a nurse practitioner for the clinics in Vernon and Fayette, who will assist with collaborative video consults when video equipment is installed at these two clinics.

c. How has the network enabled patients to access to critically needed medical specialists? The network is enabling Northwest to reach more mentally ill patients. It plans to use the network to provide child psychiatry services which is a new service that the agency has begun providing. Northwest will also hire a certified nurse practitioner who will also conduct patient visits over the new video equipment.

d. How has the network opened up service to research institution, and public and private health care institutions that are repositories of medical expertise and information? Telepsychiatry services are presently being provided from Baptist Medical Center in Jasper to patients located at the rural community mental health clinic in Jasper. The new network is enabling Northwest to access the highly skilled medical personnel available at the medical center

to deliver much needed services to its patients who reside in five very rural west Alabama counties.

e. Explain how the network has allowed health care professionals to monitor critically ill patients at multiple locations around the clock, provide access to advanced applications in continuing education and research, and/or enhanced the health care community's ability to provide rapid and coordinated response in the event of a national crisis.

Now that video conferencing equipment is available at all six clinics Northwest is able to conduct a variety of staff training sessions over the new broadband network. The new network could be used by local, state and federal agencies in the event of a national crisis.

11. Network Compliance With HHS Health IT Initiative

Network compliance with HHS standards. (1) **Functionality.** The proposed broadband network does consist of various fiber-optic lines and one wireless connection that provide Northwest with sufficient bandwidth to support a number of health IT functions such as telerpsychiatry, video conferencing, the transmission of electronic health records as well as other HHS IT functions. (2) **Security** – When the network becomes operational, Northwest will restrict its use to agency IT staff and to a limited number of health professionals. When the new network is completed, a high level of network security is anticipated since this will be a stand-alone broadband network that will not interconnect with other networks. (3) **Interoperability** – The proposed broadband network will be a stand-alone network however, it will have the capacity to interconnect with other related networks.

Electronic Medical Records. Northwest has contracted with Lavender and Wyatt Systems, Inc. (LWSI) for the conversion of the agency's paper medical records into a digital format. This conversion process is still underway. On October 13, 2011, LWSI obtained HER certification for its Essentia V6 program for its Ambulatory EHR clients which include NWAMHC. This certification will enable Northwest to qualify for incentive payments from Medicare.

12. Coordination with HHS, CDC, Local Public Health and EMA Agencies

The participant will coordinate with HHS, CDC as well as state and county public health and emergency management agencies. Northwest will make the network available to these agencies during national, state or local emergencies.

FUTURE MENTAL HEALTH NETWORK FOR NORTHWEST ALABAMA MENTAL HEALTH



